

SENATE BILL No. 38

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-10-8-15; IC 27-8-32; IC 27-13-7-20.

Synopsis: Coverage for smoking cessation drugs. Requires a state employee health benefit plan, a policy of accident and sickness insurance, and a health maintenance organization contract that provides coverage for prescription drugs to provide coverage for smoking cessation drugs.

Effective: July 1, 2009.

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January 7, 2009, read first time and referred to Committee on Insurance and Financial Institutions.

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First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

SENATE BILL No. 38

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 5-10-8-15 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2009]: **Sec. 15. (a) As used in this section, "covered individual"**
4 **means an individual who is entitled to coverage under a state**
5 **employee health benefit plan.**

6 **(b) As used in this section, "smoking cessation drug" means a**
7 **prescription drug prescribed to assist an individual in cessation of**
8 **smoking tobacco use.**

9 **(c) As used in this section, "state employee health benefit plan"**
10 **means a:**

11 **(1) self-insurance program established under section 7(b) of**
12 **this chapter; or**

13 **(2) contract with a prepaid health care delivery plan that is**
14 **entered into or renewed under section 7(c) of this chapter;**
15 **to provide group health coverage.**

16 **(d) A state employee health benefit plan that provides**
17 **prescription drug benefits must provide coverage for smoking**



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cessation drugs.

(e) The coverage required under this section may not be subject to dollar limits, deductibles, copayments, or coinsurance provisions that are less favorable to a covered individual than the dollar limits, deductibles, copayments, or coinsurance provisions that apply to prescription drugs generally under the state employee health benefit plan.

SECTION 2. IC 27-8-32 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]:

Chapter 32. Coverage for Smoking Cessation Drugs

Sec. 1. As used in this chapter, "covered individual" means an individual who is entitled to coverage under a policy of accident and sickness insurance.

Sec. 2. (a) As used in this chapter, "policy of accident and sickness insurance" has the meaning set forth in IC 27-8-5-1.

(b) The term does not include the following:

- (1) Accident only, credit, dental, vision, Medicare, Medicare supplement, long term care, or disability income insurance.
- (2) Coverage issued as a supplement to liability insurance.
- (3) Automobile medical payment insurance.
- (4) A specified disease policy.
- (5) A limited benefit health insurance policy.
- (6) A short term insurance plan that:
 - (A) may not be renewed; and
 - (B) has a duration of not more than six (6) months.
- (7) A policy that provides a stipulated daily, weekly, or monthly payment to an insured during hospital confinement, without regard to the actual expense of the confinement.
- (8) Worker's compensation or similar insurance.
- (9) A student health insurance policy.

Sec. 3. As used in this chapter, "smoking cessation drug" means a prescription drug prescribed to assist an individual in cessation of smoking tobacco use.

Sec. 4. A policy of accident and sickness insurance that provides prescription drug benefits must provide coverage for smoking cessation drugs.

Sec. 5. The coverage that must be provided under this chapter may not be subject to dollar limits, deductibles, or coinsurance provisions that are less favorable to a covered individual than the dollar limits, deductibles, or coinsurance provisions that apply to prescription drugs generally under the policy of accident and

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1 sickness insurance.

2 SECTION 3. IC 27-13-7-20 IS ADDED TO THE INDIANA CODE
3 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
4 1, 2009]: Sec. 20. (a) As used in this section, "smoking cessation
5 drug" means a prescription drug prescribed to assist an individual
6 in cessation of smoking tobacco use.

7 (b) An individual contract or a group contract that provides
8 coverage for prescription drugs must provide coverage for
9 smoking cessation drugs.

10 (c) The coverage that must be provided under this section may
11 not be subject to dollar limits, deductibles, or copayment
12 provisions that are less favorable to an enrollee than the dollar
13 limits, deductibles, or copayment provisions that apply to
14 prescription drugs generally under the individual contract or
15 group contract.

16 SECTION 4. [EFFECTIVE JULY 1, 2009] (a) IC 5-10-8-15, as
17 added by this act, applies to a state employee health benefit plan
18 that is established, entered into, delivered, amended, or renewed
19 after June 30, 2009.

20 (b) IC 27-8-32, as added by this act, applies to a policy of
21 accident and sickness insurance that is issued, delivered, amended,
22 or renewed after June 30, 2009.

23 (c) IC 27-13-7-20, as added by this act, applies to an individual
24 contract or a group contract that is entered into, delivered,
25 amended, or renewed after June 30, 2009.

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